



North Carolina Department of Revenue

Beverly Eaves Perdue
Governor

David W. Hoyle
Secretary

December 15, 2012

MEMORANDUM

TO: Motor Fuels and Alternative Fuels Licensees

FROM: Julian W. Fitzgerald, Sr., Director
Excise Tax Division

RE: Motor Fuels and Alternative Fuels Tax Rate
January 1, 2013 through June 30, 2013

In accordance with North Carolina General Statute 105-449.80, the Secretary of Revenue has determined that the motor fuels and alternative fuels tax rate for the period January 1, 2013 through June 30, 2013 will remain at 37.5 cents per gallon.

The tax rate is computed using a flat rate of 17.5 cents per gallon and a variable wholesale component. The variable wholesale component is either 3.5 cents or 7 percent of the average wholesale price of motor fuel during the preceding six-month base period, whichever is greater. The average wholesale price is a weighted average of the wholesale prices of gasoline and No. 2 diesel fuel. The average price for the last base period was \$3.0142 cents per gallon. During the 2012 legislative session, House Bill 950 was passed which capped the variable wholesale component of the motor fuel excise tax at 20 cents per gallon. The cap will be effective through June 30, 2013.

In addition, the inspection tax remains at .0025 cents per gallon.

If you have any questions, please contact the Excise Tax Division at (919) 707-7500 or Toll Free (877) 308-9092.